

12002 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

WITH THE ASSISTANCE OF ITS ACADEMY OF PHARMACEUTICAL SCIENCES, APHA HAS SUGGESTED SPECIFIC MEANS BY WHICH HEW CAN REINFORCE SUCH ASSURANCES TO MEDICAL AND PHARMACY PRACTITIONERS AND THE PUBLIC. WHERE IT CAN PROVIDE SUCH ASSURANCE, IT WOULD BE ABSURD, IN OUR VIEW, FOR HEW NOT TO TAKE INTO ACCOUNT THE RELATIVE COSTS OF INTERCHANGEABLE DRUG PRODUCTS.

BEYOND HEW'S APPARENT RELUCTANCE TO REQUIRE FACTUAL, CURRENT OR PROSPECTIVE DRUG PRODUCT PRICE INFORMATION FROM DRUG MANUFACTURERS, APHA HAS LEVELED A MAJOR CRITICISM OF THE PROPOSED MAC REGULATIONS INsofar AS THEY INADEQUATELY ADDRESS THEMSELVES TO FEES FOR PHARMACISTS' PROFESSIONAL SERVICE. THERE HAS BEEN EVIDENT WITHIN HEW A DEFINITE "HANDS OFF" ATTITUDE WITH REGARD TO PHARMACISTS' PROFESSIONAL FEES. SOME HEW REPRESENTATIVES APPARENTLY HAVE BEEN TAKING THE POSITION THAT THE DEPARTMENT CAN EXERCISE AUTHORITY WITH REGARD TO AMOUNTS THAT WILL BE PAID BY STATE MEDICAID PROGRAMS FOR DRUG PRODUCT COSTS BUT THAT IT HAS NO AUTHORITY WITH REGARD TO AMOUNTS THAT WILL BE PAID BY STATE MEDICAID PROGRAMS WITH REGARD TO PROFESSIONAL FEES. SUCH A "HANDS OFF" POSITION IS PATENTLY WITHOUT MERIT SINCE THE HEW MEDICAID REGULATIONS FOR YEARS HAVE REQUIRED PAYMENT OF "A REASONABLE FEE."

EVERYONE RECOGNIZES THAT IN MANY STATES, IMPLEMENTATION OF THE "ACTUAL ACQUISITION COST" DRUG PRODUCT REIMBURSEMENT FEATURE OF THE MAC PROGRAM WOULD TIGHTEN THE ECONOMIC VISE ON PHARMACISTS TO AN EXTENT GREATER THAN EVER EXPERIENCED TO DATE.